



भारत का राजपत्र The Gazette of India

असाधारण

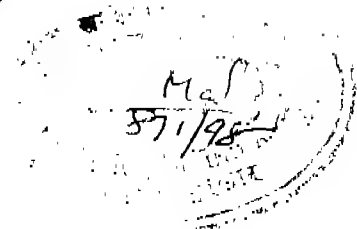
EXTRAORDINARY

भाग II — खण्ड 2

PART II — Section 2

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

RAJYA SABHA

The following Bill was introduced in the Rajya Sabha on the 7th August, 1997:—

BILL No. XLVI OF 1997

A Bill further to amend the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

BE it enacted by Parliament in the Forty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Employees' Provident Funds and Miscellaneous Provisions (Amendment) Act, 1997.

Short title and
commence-
ment.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. In section 6 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (hereinafter referred to as the principal Act), for the words "eight and one-third per cent." and "ten per cent.", wherever they occur, the words "ten per cent." and "twelve per cent." shall respectively be substituted.

Amendment of
section 6.

3. In section 7D of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—

Amendment of
section 7D.

"(3) A person shall not be qualified for appointment as a Presiding Officer of a Tribunal (hereinafter referred to as the Presiding Officer) unless he is, or has been, or is qualified to be,—

- (i) a Judge of a High Court; or
- (ii) a District Judge."

Amendment of
section 7F.

4. Section 7F of the principal Act shall be re-numbered as sub-section (1) thereof, and after sub-section (1) as so re-numbered, the following sub-sections shall be inserted, namely:—

"(2) The Presiding Officer shall not be removed from his office except by an order made by the President on the ground of proved misbehaviour or incapacity after an inquiry made by a Judge of the High Court in which such Presiding Officer had been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.

(3) The Central Government may, by rules, regulate the procedure for the investigation of misbehaviour or incapacity of the Presiding Officer."

Amendment of
section 16.

5. In section 16 of the principal Act, in sub-section (1),—

(i) in clause (c), the word "or" occurring at the end shall be omitted;

(ii) clause (d) and the *Explanation* thereto shall be omitted.

STATEMENT OF OBJECTS AND REASONS

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 provides for the institution of Compulsory Provident Fund, Pension Fund and Deposit-Linked Insurance Fund for the benefit of the employees in the factories and other establishments. The Act is at present applicable to 177 industries and classes of establishments employing twenty or more persons. As on 31-3-1996, 2.64 lakh establishments with 1.93 crore subscribers were covered under the Act.

2. The Act was last amended in 1996. While examining the Demands for Grants for Ministry of Labour, the Standing Committee of Parliament on Labour and Welfare had made certain suggestions for further amendment of the Act. The Central Board of Trustees of the Employees Provident Fund, which is a tripartite body, had also made certain suggestions in this regard.

3. Based on the suggestions received, it is proposed to carry out certain amendments in the Act. Some of the important amendments are:—

(i) in order to promote saving and ensure availability of higher retiral benefits, the minimum rate of provident fund contribution is being raised from 8.33 per cent. to 10 per cent. and the maximum rate from 10 per cent. to 12 per cent. of the monthly wages;

(ii) a provision is being made so as to make a person who is, or has been, or is qualified to be, a Judge of a District Court also eligible for appointment as the Presiding Officer of Appellate Tribunal;

(iii) the provision of three years' infancy period is being abolished so as to bring the factories/establishments within the scope of the Act from the date of their establishment/registration.

4. The Bill seeks to achieve the above objects.

M. P. VEERENDRA KUMAR.

FINANCIAL MEMORANDUM

The Central Government is contributing towards the Employees' Pension Scheme, 1995 framed under section 6A at the rate of 1.16 per cent. of the monthly wages of the employees covered under the provisions of the Act. Clause 5 of the Bill seeks to omit clause (d) of sub-section (1) of section 16 so as to make the provisions of the Act applicable to the establishments from the date they are set up. The establishments which are less than three years old and which are presently excluded from the Act will have to report immediate compliance under the Act. This is likely to bring more employees within the purview of the Act. Consequently there will be a marginal recurring increase in the liability of the Central Government by way of contribution towards the Employees' Pension Scheme. As wages of the employees vary from establishment to establishment and their number is also not precisely known, it is difficult to indicate the recurring liability of the Central Government at this stage. However, the proposal does not involve any expenditure of non-recurring nature.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 4 of the Bill seeks to insert sub-section (3) in section 7F which empowers the Central Government to regulate by rules, the procedure for investigation of misbehaviour or incapacity of the Presiding Officer of the Employees' Provident Funds Appellate Tribunal. This is a matter of procedure and administrative detail. The proposed delegation of legislative power is, therefore, of a normal character.

S. S. SOHONI,
Secretary-General.

